2007-05275/

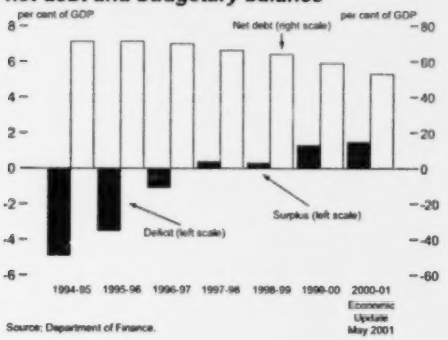
Government of Canada Securities

A Publication of the Department of Finance

July 2001

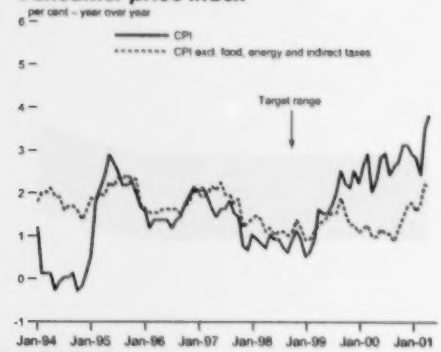
Canadian Economy

Government of Canada net debt and budgetary balance



Source: Department of Finance.

Consumer price index

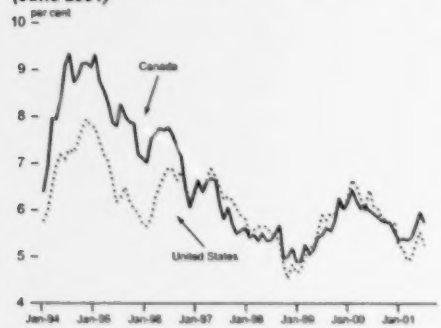


Source: Bank of Canada.

3-month Treasury bill rates (June 2001)

Sources: Bank of Canada and Federal Reserve.

10-year government bond rates (June 2001)



Sources: Bank of Canada and Federal Reserve.

Upcoming economic data releases of interest

August

July Labour Force Survey
(August 10)

July CPI
(August 21)

National Economic and Financial Accounts
April-June 2001
(August 31)

September

August Labour Force Survey
(September 7)

August CPI
(September 18)

Canada

Government of Canada Securities

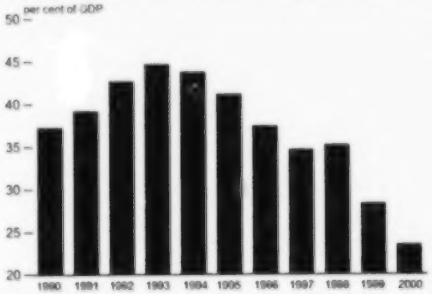
Canadian Economy

Selected Canadian economic statistics

	1999	2000	2000 Q3	2000 Q4	2001 Q1
Annualized growth rates			(per cent)		
Real GDP	5.1	4.4	4.5	1.6	2.5
Final domestic demand	4.1	4.0	3.9	1.1	2.2
Employment growth	2.8	2.6	1.0	3.0	0.9
Other					
Unemployment rate	7.6	6.8	6.9	6.9	7.0
Current account balance (percentage of GDP)	0.2	2.5	2.6	3.2	4.6

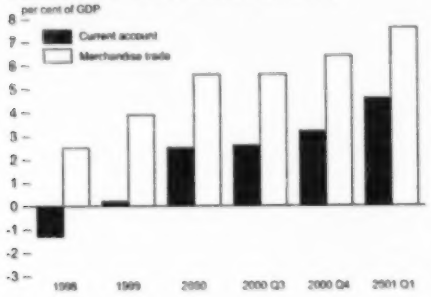
Source: Statistics Canada.

Canada's net international liabilities



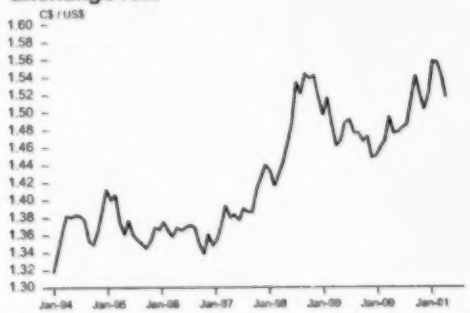
Source: Statistics Canada.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Exchange rate



Source: *Bank of Canada Review*.

Monetary conditions index

Source: Bank of Canada.

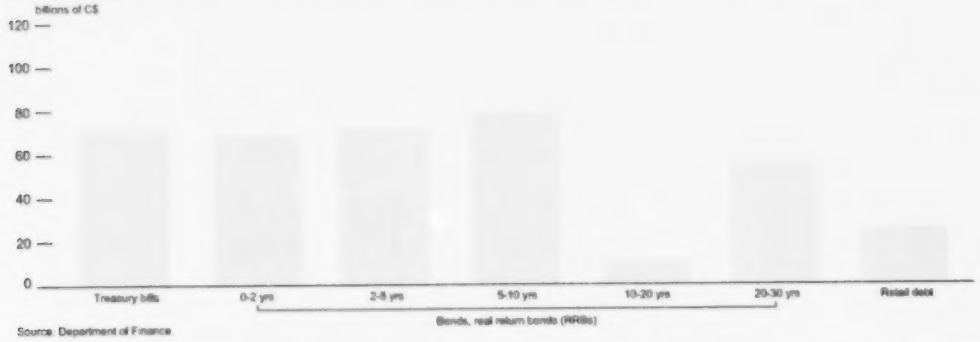
Canadian monetary aggregates

Source: *Bank of Canada Review*.

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt (July 5, 2001)



Source: Department of Finance

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
June 13, 2001	2	Dec. 1, 2003	5	3,500	99.959	5.019	2.2	0.6
June 6, 2001	30	Dec. 1, 2031	4***	350	107.558	3.59	2.9	n.a.
May 30, 2001	5	Sept. 1, 2006	5.75	2,500	100.16	5.712	2.2	1.3
May 2, 2001	10	June 1, 2011	6	2,500	101.84	5.756	2.2	1.1
Apr. 18, 2001	30	June 1, 2029	5.75	1,900	97.185	5.957	2.5	0.5

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Department of Finance.

Forthcoming Government of Canada bond auctions

Type of issue	Auction date (2001)	Further details of issue (2001)	Dated and delivered (2001)	Amount maturing*
				(millions of dollars)
10-year auction	July 25	July 19	July 30	-
5-year auction	August 15	August 9	August 20	-
2-year auction	August 29	August 23	August 31	-
RRB	September 12	September 6	September 17	-

Note: Three repurchase operations of Government of Canada marketable bonds are planned under the bond repurchase program. The target amount for repurchase this quarter is $1.2 billion. Repurchase operations will take place in conjunction with each nominal bond auction. Further details will be released with the bond auction Call For Tenders of the corresponding sector.

* Maturity of $9,920 million on September 4, 2001.

Source: Department of Finance.

Government of Canada Securities

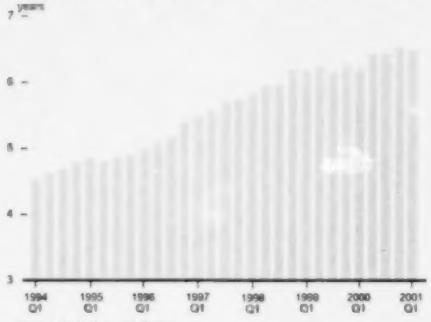
Primary Market

Government of Canada bond market benchmarks (July 4, 2001)

Term	Maturity	Coupon	Amount outstanding	Yield (July 4, 2001)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2003	5.75	7,000	5.03
5-year	Sept. 1, 2005	6.00	11,100	5.60
10-year	June 1, 2010	5.50	10,100	5.91
30-year	June 1, 2029	5.75	10,100	6.02
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.56

Note: The normal bid-ask spread on these bonds is around 5 cents.
Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: *Bank of Canada Review*.

Forthcoming Government of Canada marketable bond maturities

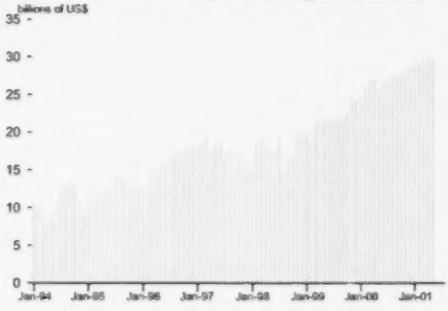
July-September 2001	October-December 2001	January-March 2002	April-June 2002
	(millions of dollars)		
9,920	10,931	552	13,861

Outstanding Government of Canada foreign-currency debt (June 2001)

	(US$ millions)
Canada Bills	4,420
Canada Notes	928
Outstanding under EMTN program	2,583
6¼% US$ bonds maturing July 15, 2002	1,000
5¾% US$ bonds maturing February 19, 2003	2,000
6¾% US$ bonds maturing November 30, 2004	2,000
6¾% US$ bonds maturing July 21, 2005	1,500
6¼% US$ bonds maturing August 28, 2006	1,000
6¼% NZ$ bonds maturing October 3, 2007	319
4¾% DM bonds maturing July 7, 2008	2,219
5¼% US$ bonds maturing November 5, 2008	2,500

Source: Department of Finance.

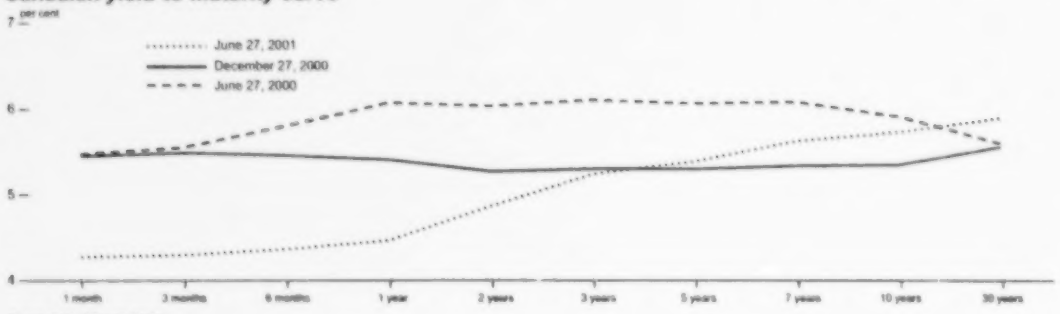
Canada's level of liquid foreign reserves



Source: *Bank of Canada Review*.

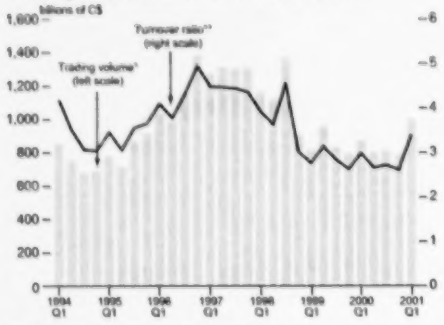
Secondary Market

Canadian yield-to-maturity curve



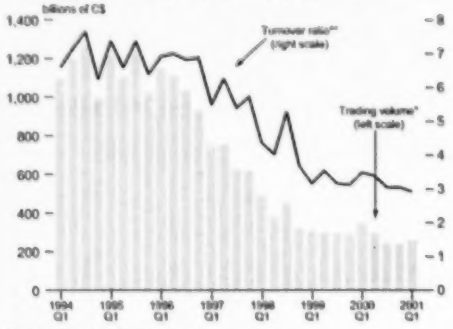
Source: *Bank of Canada Review*

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
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- RBC Dominion Securities Inc.
- Scotia Capital Inc.
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- The Toronto-Dominion Bank
- Valeurs Mobilières Desjardins

Government of Canada Securities

Secondary Market

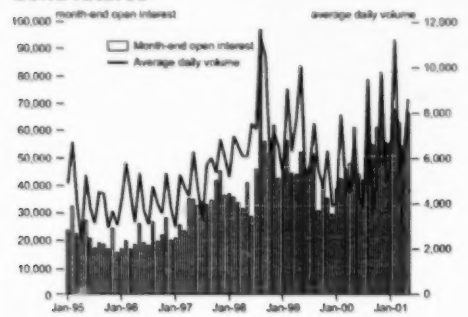
Government of Canada bond repos trading volume and turnover ratio

*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio

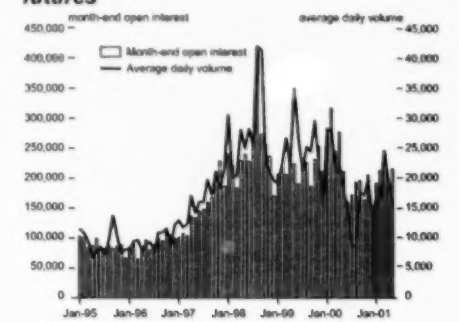
*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aa1** Stable	**AAA** Stable
Foreign debt – Trend	**AA+** Stable	**Aa1** Stable	**AA (high)** Stable

This publication is also available on the Internet at http://www.fin.gc.ca/.
Except as noted, the information in *Government of Canada Securities* is based upon data available up to July 5, 2001.
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